Supreme Court, U.S.
FILED

03 869 DEC 15 2003

OFFICE OF THE CLERK

No. 03-

IN THE

Supreme Court of the United States

ACCUSCAN, INC.,

Petitioner,

v.

XEROX CORPORATION,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

JOHN F. SWEENEY
Counsel of Record
KENNETH S. WEITZMAN
MORGAN & FINNEGAN, L.L.P.
345 Park Avenue
New York, New York 10154
(212) 758-4800

Attorneys for Petitioner

1/14 AP

QUESTIONS PRESENTED

In the last term, this Court remanded the case below for further proceedings in light of *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002). In *Festo*, the Court affirmed the continued vitality of the doctrine of equivalents by overturning the "absolute bar" announced by the Federal Circuit. Efforts to circumvent the doctrine of equivalents continue. The Federal Circuit decision below uses claim arguments, statements made during prosecution by the patentee to the patent examiner, to eliminate the doctrine of equivalents.

This Court's previous treatment of claim arguments stated, "We do not attribute the force of an estoppel to what was said by the claimant in seeking to avoid prior art." *Keystone Driller Co. v. Northwest Engineering Corp.*, 294 U.S. 42, 48 (1935). Since *Keystone*, the doctrine of argument-based prosecution history estoppel and claim surrender by argument have evolved into a proposition that diametrically opposes the Court's previous pronouncement. Claim arguments can now, as in the case below, unconditionally estop the doctrine of equivalents and arbitrarily restrict claim terms. The questions presented, therefore, are:

1. Whether prosecution history estoppel created by legal argument is subject to the limitations enunciated in *Festo* for prosecution history estoppel by claim amendment?

2. Whether arguments during patent prosecution to distinguish prior art can surrender subject matter broader than the prior art embodiment under the doctrine of claim disclaimer or prosecution history estoppel?

PARTIES TO THE PROCEEDING

The names of all parties in the court whose judgment is sought to be reviewed appear in the caption of this petition for writ of *certiorari*.

Petitioner is AccuScan, Inc. ("AccuScan"). Pursuant to Supreme Court Rule 29.6, petitioner states that it has no parent company and that no publicly held company owns 10% or more of AccuScan's stock.

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

PARTIES TO THE PROCEEDING ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES iv

OPINIONS BELOW 1

JURISDICTION 2

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED 2

STATEMENT OF THE CASE 2

A. The Kolker Patent 5
B. The Prior Art 7
C. The Proceedings Below 10

REASONS FOR GRANTING THE WRIT 17

I. *Certiorari* Should Be Granted To Announce The Appropriate Standards For Estopping The Doctrine Of Equivalents By Claim Arguments 17

II. *Certiorari* Should Be Granted To Determine Whether Claim Arguments To Distinguish Prior Art Surrender Subject Matter Greater Than The Distinguished Embodiment 20

CONCLUSION.....23

APPENDIX A.....1a

APPENDIX B.....7a

APPENDIX C.....8a

APPENDIX D.....28a

APPENDIX E.....36a

APPENDIX F.....65a

APPENDIX G.....67a

TABLE OF AUTHORITIES

Page

Cases

AccuScan, Inc. v. Xerox Corp., 535 U.S. 1109 (2002) 12

Cordis Corp. v. Medtronic AVE, Inc., Nos. 02-1457, -1458, -1481, -1482, slip op. at 17 (Fed. Cir. Aug. 12, 2003) 16

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 234 F.3d 558 (Fed. Cir. 2000), *rev'd* 535 U.S. 722 (2002) ..... passim

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co , 535 U.S. 722 (2002) ..... passim

Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 339 U.S. 605 (1950) 20

Keystone Driller Co. v. Northwest Eng'g Corp., 294 U.S. 42 (1935) ..... i, 17

Omega Eng'g, Inc. v. Raytek Corp., 334 F.3d 1314 (Fed. Cir. 2003) 14, 16, 21-22

Tex. Instruments Inc. v. United States Int'l Trade Comm'n, 988 F.2d 1165 (Fed. Cir. 1993) 16, 22

Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17 (1997) 3, 14

Wiegand v. W. Bingham Co., 106 F.2d 546 (6th Cir. 1939) 18

Statutes

28 U.S.C. § 1254(1) 2

28 U.S.C. § 1295(a)(1) 2

35 U.S.C. § 102 ..... 4, 7

35 U.S.C. § 103 ..... 4, 7, 8, 20

Other Authorities

U.S. CONST. art. I, § 8, cl. 8 2

IN THE

SUPREME COURT OF THE UNITED STATES

ACCUSCAN, INC., *Petitioner*,

v.

XEROX CORPORATION, *Respondent*.

PETITION FOR A WRIT OF CERTIORARI TO THE TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Petitioner AccuScan, Inc. ("AccuScan") respectfully petitions for a writ of *certiorari* to review the judgment of the United States Court of Appeals for the Federal Circuit.

OPINIONS BELOW

The September 17, 2003 Opinion of the Court of Appeals for the Federal Circuit is unreported and is reproduced beginning at Appendix page 1a. This Court's June 3, 2002 judgment vacating the prior judgment of the Federal Circuit and remanding the case to the Federal Circuit for further consideration in light of *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002) is reproduced beginning at Appendix page 7a. The May 31, 2001 Opinion of the Court of Appeals for the Federal Circuit is unreported and is reproduced beginning at Appendix page 8a. The Opinion and Order of the United States District Court for the Southern District of New York dated March 14, 2000 is unreported and is reproduced beginning at Appendix page 28a. The Opinion and Order of the United States District Court for the Southern District

of New York dated September 10, 1998 is unreported and is reproduced beginning at Appendix page 36a. The July 3, 2001 Order of the Court of Appeals for the Federal Circuit denying AccuScan's timely petition for rehearing and declining AccuScan's suggestion for rehearing *en banc* is not reported and is reproduced beginning at Appendix page 65a.

JURISDICTION

The judgment of the Court of Appeals for the Federal Circuit was entered on September 17, 2003. App. 1a. The jurisdiction of the Federal Circuit was invoked pursuant to 28 U.S.C. § 1295(a)(1). The jurisdiction of this Court is invoked pursuant to 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

The Patent Clause of the United States Constitution grants Congress the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. CONST. art. I, § 8, cl. 8.

STATEMENT OF THE CASE

This case presents a circumvention of the firmly-established "doctrine of equivalents" in patent law. The doctrine asserts, "If patents were always interpreted by their literal terms, their value would be greatly diminished. Unimportant and insubstantial elements could defeat the

patent, and its value to inventors could be destroyed by simple acts of copying." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 731 (2002). In accordance with more than one-hundred years of development in the case law, recent decisions by this Court have affirmed the continued vitality of the doctrine. *Id.*; *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997). Despite repeated attempts in the lower courts to curtail and even eliminate the doctrine of equivalents, this Court has refused to overturn its equitable approach to infringement analysis, an approach fortified by an entire body of carefully-considered jurisprudence that dates as far back as the beginning of this country's patent system. The law embraced by the Federal Circuit decision below, if consistently applied, effectively eradicates the doctrine of equivalents.

Petitioner AccuScan Corporation owns U.S. Patent No. 3,952,144 ("the Kolker patent"). The Kolker patent discloses innovations in the duplication of images in shades of grey ("greyscale"). Prior to the Kolker patent, attempts to duplicate images using greyscale resulted in each scanned page possessing a unique background shade and image contrast. Because the duplicating device would produce documents marred by page after page of variable background shading and image resolution, the then-existing technology for the reproduction of images using greyscale was both functionally and aesthetically undesirable. Attempts to photocopy a document in greyscale resulted in each page having poor and varying resolution. The invention claimed in the Kolker patent enabled duplication of greyscale, unencumbered by variegated contrast and background shading.

In the patenting process, arguments that distinguish prior art accompany virtually every claim of every patent application. To establish that a particular application warrants a patent, an applicant must demonstrate to the U.S. Patent and Trademark Office ("PTO") that the invention has not already been anticipated by a single prior art reference (35 U.S.C. § 102) and would not be obvious in light of the prior art (35 U.S.C. § 103). In correspondences between the PTO and the patent applicant subsequent to filing of the patent application, the applicant frequently offers claim arguments that explain why the invention claimed in the patent application is either distinct from or not obvious in light of prior art.

Arguments do not alter the patent claim language; they are statements made by the patent applicant that do not necessarily speak directly to a claim amendment. As a method of estopping the doctrine of equivalents, claim arguments have traditionally received less specific treatment by this Court than claim amendments, perhaps because claim amendments alter the language of patent claims. Claim arguments were not explicitly addressed either in the "absolute bar" for amended claim elements created by the Federal Circuit in its *Festo* decision, or in this Court's reversal of that decision. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 234 F.3d 558 (Fed. Cir. 2000), *rev'd* 535 U.S. 722 (2002). As a result of the lack of specific treatment by this Court, the area of claim arguments has left open an avenue whereby the lower courts may circumvent the well-established doctrine of equivalents.

By finding that arguments to distinguish prior art narrow claim terms and creates an unrebuttable estoppel upon the doctrine of equivalents, the Federal Circuit panel

below reached far beyond the absolute bar of the Federal Circuit's *en banc Festo* decision, which this Court reversed. While fortunate for the continued viability of the patent system that the Federal Circuit chose not to impart precedential authority upon its opinion below, the decision nonetheless exploits an area of patent law that allows future courts to circumvent this Court's decision in *Festo* by finding a full estoppel of the doctrine of equivalents based only upon claim arguments. Petitioner requests that the Court provide much-needed guidance as to the effect upon claim disclaimer and the doctrine of equivalents of claim arguments made to distinguish prior art.

A. The Kolker Patent

The patent application to the Kolker patent ("the Kolker application") was filed on October 2, 1974. The Kolker patent issued on April 20, 1976. The patented invention covers methods and apparatus for automatic background and contrast control. The invention specifically addresses the correction of distorted background shading and image contrast caused by the drift of offsets and amplitude variations of video signal.

In the scanning process of copying a document, a light source generates a beam which is reflected off of the original document. Due to light absorption, lighter areas of the original document reflect more light, whereas darker areas reflect less light. An area that is purely white will reflect all light and an area that is purely black will absorb all light. An apparatus that reproduces documents utilizes a light sensor to detect how much light an original reflects in each area of the document. The light sensor then sends a voltage output signal ("V_o") that dictates the shade of each area of the reproduced document. The more light that the

sensor detects, the lighter that area of the reproduced document. The less light that the sensor detects, the darker that area of the reproduced document.

Before the Kolker patent was publicly disclosed in 1976, the properties of light sensors hindered attempts to produce faithful reproductions of documents. Light sensors were subject to voltage offsets and gain variations that distorted the voltage signal transmitted by the light sensor. The fluctuations of light sensors, which could not be cost-effectively avoided, were caused by a number of factors, including variable intensity of the light source, temperature changes, and aging. Due to these distortions and fluctuations, the white background of a reproduced document would change in shade and, correspondingly, the contrast of the darker, image-containing areas would vary.

The Kolker patent addressed the instability of light sensors by adding an inexpensive and entirely unique step to the process of reproducing documents. It involved calibrating the duplicating device so that fixed voltage values for pure white and pure black–the extreme ends of the greyscale spectrum–were used as reference points during scanning. By establishing a stable baseline for the voltage values associated with pure white and pure black, the Kolker patent application successfully corrected the distortions caused by fluctuating light sensors. Through a series of mathematical operations, the baseline values for pure white and pure black were constantly incorporated into the voltage output signal, V_o, emitted by the light sensor. As a result, the reproduced document was no longer marred by page after page of variable background shading and image contrast.

B. The Prior Art

After filing an application, a patent applicant usually receives an Office Action from the PTO, rejecting one or more claims of the application. The most frequent causes of initial rejection are based upon prior art that the PTO's patent examiner believes might anticipate the patent application's claims or make the claims too obvious to justify a patent. 35 U.S.C. §§ 102 and 103. The patent applicant may then respond with: (i) claim amendments that alter the language of the patent application's claims; (ii) claim arguments that distinguish the prior art from the patent application's claims; or (iii) both. Upon reconsideration of the patent application in light of the applicant's response, the PTO may decide to allow claims and issue a patent. As indicated by the eventual issuance of initially-rejected patent applications, the process of communication between the patent applicant and the PTO not only prevents the protection of non-patentable ideas, but also results in the public disclosure and legal protection of patentable innovations.

The Kolker application received an initial rejection from the PTO. The PTO employed the statutory non-obviousness requirement of 35 U.S.C. § 103, referencing as prior art U.S. Patent Nos. 3,761,610 ("the Krallinger reference") and 2,909,957 ("the Johnson reference"). In an Office Action to the Kolker applicant, the PTO stated, "It would be obvious to one of ordinary skill in the art to use extreme black and white reference pulses as taught by B [the Johnson reference] as the black and white reference levels in a facsimile system such as shown by A [the Krallinger reference]." *Office Action*, June 9, 1975, at 3.

In accordance with statute, neither the Johnson reference nor the Krallinger reference alone disclosed the invention claimed in the Kolker application. In employing the § 103 non-obviousness requirement, the PTO examiner cited two references that, when considered in tandem, were believed to render the Kolker application claims obvious to one having ordinary skill in the art. The Johnson reference is not in the field of duplicating documents; rather, it is in the field of video signals recorded on a magnetic tape or other recording medium.

The Johnson reference differed from the Kolker application in that voltage values for both pure black and pure white are not stored and combined to perform corrective calibration of background and image resolution. Only a voltage value for a black signal is stored and subsequently used. The Johnson reference does not disclose storing a voltage value for a white signal, nor does it disclose combining such a value with the voltage value for a black signal. As described above, the storage and subsequent use of a voltage value for pure white is of central importance in the invention claimed in the Kolker patent.

The Krallinger reference is in the field of scanning and reproducing documents, the same field as that of the Kolker application. In distinguishing the Krallinger reference, the Kolker applicant stated:

> It is clear, however, that a white sample is not stored or utilized during this operating period, and moreover, no divide circuit is utilized [in the Krallinger reference], the operation being merely that of setting the gain of the amplifier 24 and then using this

> fixed gain amplifier 24 as a multiplying or amplifying unit *throughout the completion of the single line scan period. At the completion of each line scan the Krallinger et al. circuit is reset by the sync pulse and repeats its calibration and operation functions during each successive line scan.*

App. 72a (emphasis added). Like the Johnson reference, the Krallinger reference does not disclose storing and utilizing a voltage value for white. The Krallinger reference discloses the use of a multiplication circuit, a fact that the Kolker applicant points out by stating, "[N]o divide circuit is utilized." App. 72a.

Storage and utility of a voltage value for white, as well as use of a divide function, are secondary considerations to the primary reason the Kolker applicant gave for distinguishing the Krallinger reference. The primary difference between the Krallinger reference and the invention claimed in the Kolker patent is that the Krallinger reference teaches to obtain a different white value for each line of the scanned document by scanning the shade in the left margin of each line. The Kolker applicant emphasized this primary distinction in the sentence discussing the secondary difference, and in the next sentence of the above excerpt. In the next paragraph, the Kolker applicant elaborated upon the effect of this primary distinction:

> This operation of *recalibrating at each line of the scan* in the Krallinger, et al. device presents its own peculiar problems. If the black line or the white margin varies in shade along its length, this will result in

> different shading and contrast characteristics along the length of the document page being transmitted by the Krallinger, et al. transmitter.

App. 72a. (emphasis added). Hence, the Krallinger reference teaches to calibrate line-by-line and not page-by-page as in the invention claimed in the Kolker patent. The Krallinger reference therefore cannot provide accurate reproduction of a greyscaled document, like a photograph, but instead converts the background shade, whether it be light or dark, to white. In the Krallinger reference, only a voltage value for a black sample is stored and subsequently used throughout the document. The Krallinger reference teaches to use only the black voltage value in a mathematical operation that employs multiplication.

Neither the Johnson reference nor the Krallinger reference discloses the invention claimed in the Kolker patent. Nor do these references, when considered in conjunction, render the Kolker patent claims obvious. The PTO accepted the Kolker applicant's arguments and, on April 20, 1976, issued the Kolker patent.

C. The Proceedings Below

Two trials in the United States District Court for the Southern District of New York resulted in findings of infringement of the Kolker patent by respondent Xerox Corporation ("Xerox"). Xerox sold four lines of products–a publishing system, a color copier, a scanner, and facsimile machines–that used voltage values for black and white to correct background shading and image resolution. In the first district court trial, a jury found that each of Xerox's product lines infringed the Kolker patent claims.

App. 36a. The jury awarded AccuScan damages. The court denied Xerox's motion for judgment as a matter of law on the issue of infringement and ordered a new trial to reconsider the amount of damages. In the second district court trial, a jury again awarded AccuScan damages for infringement of the Kolker patent. App. 28a. The district court denied Xerox's motion for judgment as a matter of law.

Xerox appealed to the Court of Appeals for the Federal Circuit. In an unpublished decision, a three-member panel reversed the findings of the district court. App. 8a-27a. The panel cited the Federal Circuit's now reversed *Festo* decision in holding, "For purposes of infringement under the doctrine of equivalents, the patentee is also bound by the clear and unmistakable surrender of the structure employed by Xerox." App. 20a. The panel found that, by distinguishing the Krallinger reference during prosecution history, the Kolker applicant had "explicitly disclaimed coverage of any device performing the mathematical calculation yielding V_o by something other than a divide circuit." App. 16a. The Krallinger reference used only a black voltage value in a multiplication operation. The invention claimed in the Kolker patent incorporated both black and white voltage values into a division operation.

In its analysis, the Federal Circuit panel noted that one of the products sold by Xerox performed the calculation "by multiplication of a reciprocal" and that another product performed the calculation "by subtracting logarithmic values." App. 17a. AccuScan argued that multiplication by a reciprocal and subtraction of logarithms yield values that are representative of division. Addressing

this argument, the panel agreed, "Certainly, this is mathematically correct." App. 17a.

The Federal Circuit panel observed that each of Xerox's products "only temporarily store the white sample V_w in its pure form. . . . before being converted to the difference value (V_w - V_b)" App. 20a. With respect to the storage of a voltage value for pure white, the panel examined the prosecution history. The panel noted, "Such continuous storage and usage statements were made repeatedly by the prosecuting attorney." App. 19a. In its discussion of the prosecution history, the Federal Circuit panel did not note or address the fact that, in the same communication from the patent applicant to the PTO, claim 1 of the Kolker patent was amended by addition of the term "continually." App. 68a.

This Court granted *certiorari* to hear the case and vacated the Federal Circuit decision. App. 7a. Prior to this decision, the Court reversed the Federal Circuit's November 2000 *Festo* decision holding that narrowing claim amendments for the purposes of patentability imposes an absolute bar upon the doctrine of equivalents. *See Festo*, 535 U.S. at 738-39. The Court remanded this case for further proceedings in light of its decision in *Festo*. App. 7a.

In *Festo* this Court held:

> There is no reason why a narrowing amendment should be deemed to relinquish equivalents unforeseeable at the time of the amendment and beyond a fair interpretation of what was surrendered. Nor is there any call to foreclose claims of equivalence for

> aspects of the invention that have only a peripheral relation to the reason the amendment was submitted.

Festo, 535 U.S. at 738. Elaborating upon these standards, the Court stated:

> There are some cases, however, where the amendment cannot reasonably be viewed as surrendering a particular equivalent. The equivalent may have been unforeseeable at the time of the application; the rationale underlying the amendment may bear no more than a tangential relation to the equivalent in question; or there may be some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question. In those cases the patentee can overcome the presumption that prosecution history estoppel bars a finding of equivalence.

Id. at 740.

Upon remand of this case to the Federal Circuit, the same three-member panel, in the unpublished decision at bar, upheld its original decision to reverse the district court findings. App. 1a-6a. The panel noted that "prosecution history estoppel does not apply . . . when there is no relevant amendment during prosecution of the patent application." App. 2a. As a result, the panel concluded that this Court's *Festo* ruling does not apply to prosecution estoppel by claim argument, but only to prosecution history estoppel by amendment. Once again, based upon claim

arguments made during patent prosecution, the Federal Circuit panel found that "the claims in suit required continuous storage of the V_w value in its pure form and continuous combining of this value." App. 4a.

To begin the legal analysis, the panel below elaborated upon its conception of prosecution disclaimer:

> As we recently explained, "[t]he doctrine of prosecution disclaimer is well established in Supreme Court precedent, precluding patentees from recapturing through claim interpretation specific meanings disclaimed during prosecution." *Omega Eng'g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1323 (Fed. Cir. 2003). Contrary to prosecution history estoppel which limits the doctrine of equivalents, *Warner-Jenkinson*, 520 U.S. at 30, prosecution disclaimer applies to the determination of literal infringement by excluding from the claim construction any claim scope that has been clearly and unmistakably disavowed during prosecution. *See Omega*, 334 F.3d at 1323-26.

App. 3a. The invention claimed in the Kolker patent uses a voltage value for black and a voltage value for white in a divide circuit to accomplish page-by-page calibration. In contrast, the Krallinger reference referred only to a voltage value for black in a multiplication circuit, sensed white on a line-by-line basis in the margin of each line and did not store white in any form. The Xerox products store and use a voltage value for black and a voltage value for white in circuits that are mathematically representative of division to accomplish page-by-page calibration, like the Kolker

patent, not line-by-line calibration like the Krallinger reference. Still, the Federal Circuit panel proceeds to quote its previous decision to find that, by distinguishing the prior art of the Krallinger reference, the Kolker applicant "explicitly disclaimed coverage" of the Xerox products. App. 3a.

Having used claim arguments to narrow the patent claims beyond the prior art embodiment distinguished by the patentee, the Federal Circuit panel found no literal infringement. The panel then proceeded to eliminate the doctrine of equivalents:

> But having concluded that there was no literal infringement as a matter of law, we then considered whether the accused devices might nonetheless infringe under the doctrine of equivalents. We answered that inquiry in the negative, by stating that "[f]or purposes of infringement under the doctrine of equivalents, the patentee is also bound by the clear and unmistakable surrender of the structure employed by Xerox."

App. 5a (citations omitted). The panel below circumvents *Festo* analysis by equating the standard for disclaimer by claim argument with the standard for prosecution history estoppel by claim argument:

> That conclusion was not based on any narrowing amendment giving rise to prosecution history estoppel. (n.1. Our original opinion's citation to the en banc *Festo* decision merely aimed to provide a background of the various estoppels that may

> arise from actions or arguments made by the patentee during prosecution. *See AccuScan*, 18 Fed. App. at 834.) *Rather, that ruling was necessitated by the well-settled doctrine of argument-based estoppel, which arises from the patentee's representations to the Patent and Trademark Office during prosecution. See Tex. Instruments Inc. v. United States Int'l Trade Comm'n*, 988 F.2d 1165, 1174-75 (Fed. Cir. 1993). *Indeed, our ruling unequivocally referred to a "clear and unmistakable surrender," which stands as the legal standard for argument-based estoppel. Id.* In noting the patentee's "clear and unmistakable surrender" and ruling that there was no infringement by equivalents, we simply gave effect to the conclusion necessarily flowing from the previous discussion of the proper claim construction: because the clear and unmistakable standard that applies to prosecution disclaimer "is the same standard applicable, in the context of the doctrine of equivalents, to the doctrine of argument-based estoppel," *Omega*, 334 F.3d at 1326 n.1, a patentee cannot recapture through the doctrine of equivalents subject matter already precluded by the doctrine of prosecution disclaimer. *See Cordis Corp. v. Medtronic AVE, Inc.*, Nos. 02-1457, -1458, -1481, -1482, slip op. at 17 (Fed. Cir. Aug. 12, 2003).

App. 5a-6a (emphases added). The Federal Circuit panel used the patent applicant's argument to distinguish prior art, without any amendment of the patent claims, to

foreclose the doctrine of equivalents, totally and unrebuttably. Thus, an applicant who merely makes an argument to distinguish the prior art, and not an amendment of the claims, is denied the opportunity to show that the argument is tangential to the equivalent accused of infringement and that the features of the invention mentioned in the argument are peripheral to its purpose. Such a holding runs counter to this Court's affirmance of the doctrine of equivalents in *Festo*.

REASONS FOR GRANTING THE WRIT

I. *Certiorari* Should Be Granted To Announce The Appropriate Standards For Estopping The Doctrine Of Equivalents By Claim Arguments

In *Festo*, this Court held that prosecution history estoppel as a result of a claim amendment does not foreclose application of the doctrine of equivalents where the infringing equivalent "may have been unforeseeable at the time of the application," when "the rationale underlying the amendment may bear no more than a tangential relation to the equivalent in question," and where the features of the invention which are the subject of the amendment are "peripheral" to the purpose of the amendment. *Festo* 535 U.S. at 740 (2002). The Federal Circuit panel below refused to apply this holding to the application of prosecution history estoppel by legal argument.

This Court rejected the notion that prosecution history estoppel could be created solely by claim argument in its last explicit treatment of the issue. *Keystone Driller Co. v. Northwest Eng'g Corp.*, 297 U.S. 42, 48 (1935). The doctrine of prosecution history estoppel by legal argument developed in the law of the regional circuits, and more

recently in the Federal Circuit. *See, e.g., Wiegand v. W. Bingham Co.*, 106 F.2d 546, 548 (6th Cir. 1939); *Festo*, 234 F.3d at 568. Prosecution history estoppel by argument is a doctrine that originates from claim interpretation and, according to the jurisprudence of the lower courts, is derivative to the classic doctrine of prosecution history estoppel by claim amendment. *See, e.g., Festo*, 234 F.3d at 568 ("There is no reason why an amendment-based surrender of subject matter should be given less force than an argument-based surrender of subject matter.") Given this status, the doctrine of prosecution history estoppel by legal argument developed by the circuit courts should be subject to the same "foreseeability," "tangentialness" and "peripheral" limitations that govern prosecution history estoppel by amendment as enunciated by this Court in *Festo*, 535 U.S. 722.

In the PTO, the Kolker applicant distinguished the Krallinger reference by arguing:

> It is clear, however, that a white sample is not stored or utilized during this operating period, and moreover, no divide circuit is utilized [in the Krallinger reference], the operation being merely that of setting the gain of the amplifier 24 and then using this fixed gain amplifier 24 as a multiplying or amplifying unit *throughout the completion of the single line scan period. At the completion of each line scan the Krallinger et al. circuit is reset by the sync pulse and repeats its calibration and operation functions during each successive line scan.*

> This operation of *recalibrating at each line of the scan* in the Krallinger, et al. device presents its own peculiar problems. If the black line or the white margin varies in shade along its length, this will result in different shading and contrast characteristics along the length of the document page being transmitted by the Krallinger, et al. transmitter.

App. 72a (emphases added).

The Kolker patent applicant's statements make clear that the basis for distinguishing the Krallinger reference was that the applicant's invention provided page-by-page calibration for greyscale rather than the line-by-line calibration disclosed in the Krallinger reference in which there was no need to store the white value because a new white value was sensed in the margin of each line. In contrast, the Xerox products accused of infringement use page-by-page calibration, just as in the Kolker patent, and store a white sample for each page in the form of (V_W-V_b) and employ a divide circuit to compute the reciprocal $1/(V_W-V_b)$. Therefore, the arguments made to distinguish the Krallinger reference, as well as the references to Krallinger's lack of a divide circuit and failure to store V_W because a new V_W is obtained for each line in the scanned document are clearly tangential to the Xerox equivalents to the Kolker patent claims.

The Federal Circuit panel's analysis divorces prosecution history estoppel by legal argument from its historical roots as an extension to the doctrine of prosecution history estoppel by claim amendment. Prosecution history estoppel is a single legal doctrine with

a long history and the exceptions enunciated to it by this Court in *Festo* of "foreseeability," "tangentialness" and "peripheralness" for distinctions urged over the prior art should be as applicable to prosecution history estoppel by argument as they are to classical prosecution history estoppel by claim amendment from which the legal argument corollary to the doctrine proceeds.

II. *Certiorari* Should Be Granted To Determine Whether Claim Arguments To Distinguish Prior Art Surrender Subject Matter Greater Than The Distinguished Embodiment

If patentees unconditionally forfeit infringement protection under the doctrine of equivalents due to statements that explain how prior art is different from the patented invention, then the doctrine of prosecution disclaimer overreaches. Distantly analogous prior art exists for any patent application claim, given the PTO's statutory ability under the § 103 non-obviousness requirement to parse a claim into multiple elements and select from the universe of prior art for each element. If patentees, as a result of distinguishing prior art that marginally relates to a single element of the claim, are held to surrender a range of subject matter broader than that represented by the prior art, then the patent claim becomes the "hollow and useless thing" that this Court has sought to avoid. *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 607 (1950).

In the decision below, the Federal Circuit panel characterized as "mathematically correct" the observation that subtraction of the logarithms of two distinct values yields a third value that reflects the division of the original two values. App. 17a. The panel also conceded that the

product of one value and the reciprocal of another value yields a third value that reflects the division of the original two values. App. 17a. The Krallinger reference, the prior art that the Federal Circuit used to estop the doctrine of equivalents, only utilized the voltage value for pure black in a multiplication operation for line-by-line calibration. By distinguishing the Krallinger reference, the Kolker applicant should be deemed to have only surrendered the specific subject matter embodied in that reference. Instead, the Federal Circuit concluded that the Kolker applicant surrendered any circuit that does not utilize division, a far broader range of subject matter than the Krallinger reference disclosed.

In the Krallinger reference, a voltage value for black is multiplied by another number that is completely unrelated to the voltage value for pure white. The Krallinger reference does not combine the pure black reference voltage value with the pure white reference voltage value. The Kolker applicant's argument distinguishing the Krallinger reference simply pointed out that the division of two necessary values does not encompass multiplication using only one of these values.

A claim argument should not serve to narrow the claim interpretation beyond disclaimer of the particular embodiment distinguished. In light of the Krallinger reference, the finding of clear and unmistakable surrender of all subject matter that mathematically reflects the division of both the black voltage value and the white voltage value, save for the exact embodiments disclosed in the Kolker application, is overly-broad. A "clear and unmistakable surrender" standard for prosecution disclaimer has been adopted by the Federal Circuit. *See, e.g.*, App. 5a; *Omega Eng'g, Inc.*, *supra*, 334 F.3d at 1325

("Based on the clear disavowal found in the file wrapper, we concluded that the accused device did not include an equivalent to the claimed function's corresponding structure."). However, as demonstrated by the decision below, application of this standard is not uniformly restricted to claim surrender of the specific embodiment of the prior art distinguished.

The use of prosecution disclaimer to narrow claim interpretation beyond surrender of the specific prior art presents a problem that might be partially remedied by availability of the doctrine of equivalents to cover subject matter unrelated to the distinguished prior art. Such a remedy was not available to AccuScan, because the decision below proceeded to find that, in light of the Kolker applicant's claim arguments, no range of equivalents were available. As in its claim construction analysis, the Federal Circuit panel employed the standard of "clear and unmistakable surrender" of the subject matter to find an absolute bar to the application of the doctrine of equivalents. App. 5a. This standard arises from Federal Circuit jurisprudence. *See Tex. Instruments Inc. v. United States Int'l Trade Comm'n*, 988 F.2d 1165, 1174-75 (Fed. Cir. 1993). As applied below, it allows for the surrender of subject matter that reaches beyond the embodiment of prior art.

The Federal Circuit used an argument made during patent prosecution to find a clear, unmistakable surrender of subject matter far more expansive than the prior art embodiment that the patent applicant distinguished. The panel below found that this surrender was accompanied by a loss of infringement protection under the doctrine of equivalents. Under this reasoning, Xerox was then free from infringement and could sell products that were

insubstantially different from the Kolker patent. Should the legal rule employed by the Federal Circuit panel below enjoy widespread application, then protection for existing patents is seriously compromised. If prosecution disclaimer reaches beyond the embodiment of the prior art, then neither the patentee nor the public can know what the claim covers in light of the distinguishment of prior art. A Court pronouncement that distinguishing prior art does not constitute a clear and unmistakable surrender of subject matter outside of the prior art embodiment is necessary to preserve the doctrine of equivalents.

CONCLUSION

For the reasons set forth above, the petition for a writ of *certiorari* should be granted and the judgment below reversed.

Respectfully submitted,

JOHN F. SWEENEY
Counsel of Record
KENNETH S. WEITZMAN
MORGAN & FINNEGAN, L.L.P.
345 Park Avenue
New York, New York 10154
(212) 785-4800

Attorneys for Petitioner,
AccuScan, Inc.